

STATE OF NORTH DAKOTA

BEFORE THE COMMISSIONER OF INSURANCE

American Life Healthcare, Inc., a	)	CEASE AND DESIST ORDER
California Corporation, a/k/a	)	AND NOTICE OF
American Life and a/k/a Amer-Life.	)	OPPORTUNITY FOR HEARING
	)	
	)	CASE NO. CO-05-178
Respondent.	)	

**TO: American Life Healthcare, Inc., a California Corporation, a/k/a American Life and a/k/a Amer-Life.**

Commissioner of Insurance Jim Poolman, hereinafter "Commissioner", has determined as follows:

1. N.D. Cent. Code § 26.1-01-03.1 authorizes the Commissioner to issue an Order to cease and desist when it appears that any person or business entity is engaged in an act or practice which violates or may lead to a violation of Title 26.1 of the North Dakota Century Code.

2. N.D. Cent. Code Chapter § 26.1-53 governs the marketing of discount medical plans in North Dakota.

3. That American Life Healthcare, Inc. is a California corporation. The company is also known as American Life and Amer-Life.

4. On October 3, 2005, American Life Healthcare, Inc., hereinafter American Life, or unknown persons acting on its behalf, sent by facsimile transmission advertisements for a discount medical plan to (701) 265-4554 and (701) 277-9065. A true and correct copy of the advertisement faxed is attached hereto as Exhibit 1.

5. Telephone numbers containing area code (701) are North Dakota based telephone numbers.

6. The faxed advertisement uses the following terms in a manner that could reasonably mislead a person into believing the discount medical plan is insurance and that said use constitutes a violation of N.D. Cent. Code §26.1-53-02(2):

- a. “Health Care Plan”;
- b. “PPO”;
- c. “Preferred Providers”;
- d. “Coverage”;
- e. “Benefit”;
- f. “Fully Insured Medical Benefits”.

7. The faxed advertisement does not contain the disclosures required by N.D. Cent. Code § 26.1-53-03(1) including, but not limited to, the following disclosures: (1) that the plan is not an insurance policy; (2) that the plan member is obligated to pay for all health care services but will receive a discount from those health care providers that have contracted with the discount medical plan organization; (3) the name, address, and telephone number of the discount medical plan organization and the marketer; and (4) the cancellation and refund rights provided under N.D. Cent. Code § 26.1-53-08.

8. The faxed advertisement violates the provisions of N.D. Cent. Code §§ 26.1-53-02(2) and 26.1-53-03.

9. When calling 1-800-719-4310, the response number contained in the faxed advertisement, individuals answering the number identified the company as American Life Healthcare.

10. Persons answering 1-800-719-4310 indicate that American Life’s address is 1130 Medical Center Drive, Los Angeles, California 92101.

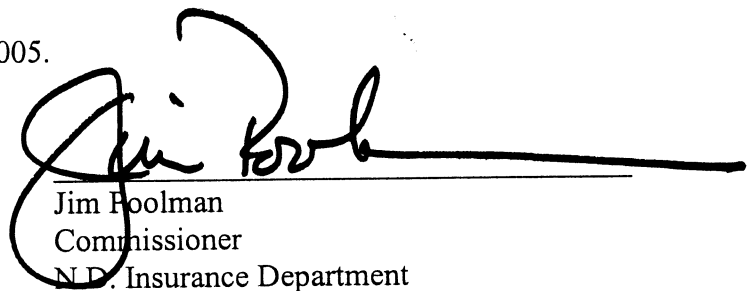
**NOW, THEREFORE, IT IS HEREBY ORDERED** pursuant to N.D. Cent. Code § 26.1-

01-03.1 that the Respondent shall immediately **CEASE AND DESIST** using the advertisement attached hereto in marketing, promoting, selling or distributing any discount medical plan in the State of North Dakota and from marketing, promoting, selling or distributing any discount medical plan in the State of North Dakota in violation of the provisions of Chapter 26.1-53 of the North Dakota Century Code.

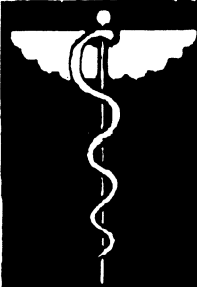
### **NOTICE OF OPPORTUNITY FOR HEARING**

Any party aggrieved by the Commissioner's order may make written application for a hearing on the order within 30 days of the date of the order. The application for a hearing must briefly state the respects in which the applicant is aggrieved by the order and the grounds for relief to be relied upon at the hearing. A hearing must be held not later than 10 days after an application for hearing is received unless a delay is requested by all persons named in the order. The Commissioner, within 30 days after the hearing, shall issue an order vacating the Cease and Desist Order or making the Cease and Desist Order permanent, as the facts require. The failure of any named person to appear at any proper hearing under this section after receiving notice of the hearing will cause that person to be in default and the allegations contained in the Cease and Desist Order may be deemed to be true and may be used against the person at the hearing. If no hearing is requested by written application, the Commissioner's Order becomes permanent.

DATED this 29<sup>th</sup> day of December, 2005.



Jim Poolman  
Commissioner  
N.D. Insurance Department  
600 East Boulevard Avenue  
Bismarck, ND 58505  
(701) 328-2440



# AFFORDABLE HEALTHCARE



Medical



RX



Dental

**HEALTHCARE FOR THE ENTIRE FAMILY  
ONLY**

**\$ 144 . Per Month**

**PER FAMILY**



**1 (800) 719-4310**

**OFFER EXPIRES WEDNESDAY**

**Take advantage of this nonprofit  
promotional rate.**

**Call Monday-Saturday 9AM-9PM EST**

**Health Care Plan Includes:**

- Medical and Dental (Office Visits, Hospital Stays, Cleanings, Root Canals, etc.)
- Vision and Hearing (Up to 60% off Eye Exams, Hearing Aids, Glasses, etc.)
- PPO Hospital Network (Huge PPO Network, Hospitals, Clinics, Urgent Care.)
- PPL Physician's Network (We use Preferred Providers, Over One Million.)
- Prescription Program (Wal-Marts, CVS, Rite-Aides, Eckerd's, Wal-greens, etc.)
- Accidental Injury Coverage (\$2,000.00 Benefit Included. \$100 Deductible)
- ICU/CCU Benefit Included.
- Accidental Death (\$10,000.00 Accidental Death and Dismemberment Benefit.)
- Air and Ground Ambulance Protection (Up to \$100,000.00 Benefit.)

**We are a non-profit medical savings plan with fully insured medical benefits**  
 To be removed from our customer database from 2002, please call 1-866-604-1443      Thank you.